

REMARKS**I. RECORD OF INTERVIEW**

Applicants wish to thank Examiner Pwu for his helpful comments and suggestions during the telephone interview with the undersigned on May 10, 2004.

Pursuant to 37 C.F.R. § 1.133(b), the following description is submitted as a complete written statement of the reasons presented at the interview as warranting favorable action. The following statement is intended to comply with the requirements of MPEP § 713.04 and expressly sets forth: (A) a brief description of the nature any exhibit shown or any demonstration conducted; (B) identification of the claims discussed; (C) identification of specific prior art discussed; (D) identification of the principal proposed amendments of a substantive nature discussed; (E) the general thrust of the principal arguments; and (F) a general indication of any other pertinent matters; and (G) the general results or outcome of the interview, if appropriate.

(A) No exhibits were shown or discussed.

(B) The independent claims were discussed in general, but not specifically.

(C) The *Kravitz* patent was discussed generally during the interview, in particular, the aspects of *Kravitz* to the effect that a customer account must be funded before purchases can be made (col. 12, lines 36 – 39).

(D) No proposed amendments were presented or discussed.

(E) The general thrust of the discussion was as set forth below in the next paragraphs.

(F) No other matters were discussed.

(G) No agreement was reached during the interview regarding the claims.

The general thrust of the discussion was the undersigned's brief explanation of the inventive concepts for which a patent is sought in this case, which might be summarized (by way of generalization) as the "flash cash" method and system for effecting a consumer-to-consumer payment, as particularly shown in FIG. 4A of the application.

During the interview, the undersigned noted that during the previous interview with the Examiner on August 26, 2003, the Examiner indicated that the method steps of FIG. 4A

appeared to be novel and patentable. No agreement was reached during the previous interview, but the undersigned agreed to submit amendments or a new claim set in an RCE that would present the subject matter of FIG. 4A in better form for allowance, or for appeal if necessary. The new claim set presented with the Amendment and Response to Second Office Action dated September 29, 2003 was intended to be responsive to the examiner's suggestions regarding the invention of FIG. 4A. Nonetheless, the claims were rejected in the Office Action dated February 13, 2004.

The undersigned asked the examiner to reconsider and withdraw the rejection, in view of the previous interview and the comments regarding the inapplicability of *Kravitz* as a reference against the claims as presented.

The examiner inquired, to paraphrase, whether the invention was "automated," to which the undersigned replied that the inventions (as set forth in the various system and method claims) are either computer-implemented steps, or operative in a payment enabling system together with other aspects of an online commerce system.

To further assist in consideration of the issues, the undersigned offered to provide, and is providing herewith, Exhibit A, which provides a detailed mapping of the claims to FIG. 4A to demonstrate that the subject matter of FIG. 4A is included in the various independent claims.

Applicants respectfully request that the Examiner contact the undersigned if any aspects of the foregoing interview summary are not correct or incomplete.

II. STATUS OF THE CLAIMS

Claims 63-168 are pending in the present application. There are 106 total claims with 6 independent claims pending. The independent claims are 63, 81, 99, 116, 133 and 151.

Note: a minor typographical error is corrected in claim 133.

Applicants' various inventions as expressed in claims 63-168 are generally related to computer-implemented methods and/or aspects of payment enabling systems for facilitating a sale between a buyer and seller in an online transaction. According to aspects of the inventions, the computer-implemented methods and systems enable the buyer to make a

cash deposit payment that ultimately provides funds to the seller, despite the fact that the transaction is carried out online. According to some aspects, the inventions involve use of a payment enabling system that stores a data record including a data field indicating whether the cash deposit has been made by the buyer. The buyer physically goes to a cash deposit payment instrument processor, who accepts a deposit in the required amount and communicates information regarding the cash deposit to the payment enabler. Upon doing so, the data field is updated in the payment enabling system to indicate that the required cash deposit has been received. Other aspects of the system then complete the transaction by making payment to the seller.

More particularly, as an aid to the Examiner in considering the claims, the following brief description/summary of certain aspects of the subject matter for which a patent is sought is provided, as presented in the various independent claims. It should be understood that this summary is being presented not by way of limitation, or formal characterization, or to be subject to an estoppel, as the following summaries are for the convenience of the examiner in ascertaining the differences between the subject matter of the claims and to facilitate examination.

Claim 63 and its associated dependent claims are directed, among other things, to aspects of a method for a payment enabling system operated by a payment enabler for effecting a payment from a buyer to a seller in connection with an online transaction, involving use of a cash deposit payment instrument.

Claim 81 and its associated dependent claims are directed, among other things, to aspects of a system comprising a payment enabling system for effecting payment to a seller conditioned on receipt of a cash deposit by the buyer at a deposit location registered to a cash deposit payment instrument processor, involving use of a cash deposit payment instrument.

Claim 99 and its associated dependent claims are directed, among other things, to aspects of a method for a payment enabling system operated by a payment enabler for effecting a cash payment in connection with an online transaction utilizing a cash deposit payment instrument, and including steps involving registration of the payment instrument.

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Claim 116 and its associated dependent claims are directed, among other things, to aspects of a system comprising a payment enabling system operated by a payment enabler, and operations of the payment enabling system for effecting a payment involving use of a cash deposit payment instrument, and including operations involving registration of a payment instrument.

Claim 133 and its associated dependent claims are directed, among other things, to aspects of a method for effecting a payment in connection with an online transaction utilizing a cash deposit payment instrument, involving steps of the transaction computer, payment enabling system, and cash deposit payment instrument processor, and including steps involving registration of a payment instrument.

Claim 151 and its associated dependent claims are directed, among other things, to aspects of a system for effecting a payment in connection with an online transaction utilizing a cash deposit payment instrument, comprising a transaction computer, a payment enabling system, and one or more payment instrument processors including a cash deposit payment instrument processor, and including operations involving registration of a payment instrument.

III. REJECTION UNDER 35 U.S.C. §102

A. Claims 63-168 Were Rejected Under 35 U.S.C. §102(e) as Being Allegedly Anticipated by U.S. Patent No. 6,029,150 to *Kravitz*.

By way of the Office Action dated February 13, 2004, claims 63 – 168 were rejected under 35 U.S.C. § 102(e) as being allegedly anticipated by U.S. Patent No. 6,029,150 to *Kravitz*. This rejection is respectfully traversed.

For a claim to be anticipated under 35 U.S.C. § 102(e), all elements of Applicants claimed invention must be disclosed within a single reference. “A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). Applicants assert that *Kravitz* fails to disclose each and every element of Applicants’ inventions as expressed in the claims.

Kravitz is generally directed to a method of payment in an electronic payment system where a plurality of customers have accounts with an agent, each customer sharing a respective secret between that customer and the agent (col. 8, lines 21-25). However, it is apparent that the *Kravitz* system contemplates use of accounts that must be funded before purchases can be made (col. 12, lines 37 – 38). The claimed inventions do not require pre-funding of accounts, and allow a cash payment to be made after many aspects of an online transaction have already been completed.

In *Kravitz*, a customer sends to the agent, in a single authenticated communication, a payment request message for payment of a specific amount to a specific merchant, along with a unique identification of the customer (col. 8, lines 25-28). The agent issues a payment advice message to the customer based only on the payment request message, the secret shared between the customer and the agent and the customer and merchant status information, the payment advice message bearing a verifiable digital signature of the agent over part of its content (col. 8, lines 28-34). The customer then forwards a portion of the payment advice message to the specific merchant who then provides goods to the customer in response to receiving the portion of the payment advice message. The merchant can verify the validity of the digital signature contained in the received payment advice message portion (col. 8, lines 35-40).

According to the method of *Kravitz*, it seems clear that a buyer must first set up an account with an agent and fund the account. Only then, the buyer can agree to a purchase from a merchant and send the agent a request to make payment to a specific merchant.

B. Distinctions Between *Kravitz* and Applicants' Inventions as Set Forth in Claims 63-168.

By way of general discussion only, the methods and systems provided by the Applicants differ from the method of *Kravitz*. As stated above, Applicants' invention is directed to methods and systems for effecting payment between a buyer and a seller in an online transaction, involving a cash deposit that a buyer makes. According to Applicants' various inventions as embodied in claims 63-168, after the cash deposit is received by the cash deposit payment instrument processor, the cash deposit payment instrument processor then notifies the payment enabler that the buyer has deposited the required funds. In general, the payment enabler then updates a data field in a stored registration record to indicate that the cash deposit has been made. Upon updating the flag, the payment is automatically made to the seller by other aspects of the system, thereby completing the transaction.

Kravitz requires a greater level of involvement from the buyer to complete the transaction. As stated above, when the customer has agreed to purchase an item or service, the customer sends to the agent, in a single authenticated communication, a payment request message for payment of a specific amount to a specific merchant, along with a unique identification of the customer (col. 8, lines 25-28). The agent issues a payment advice message to the customer based only on the payment request message, the secret shared between the customer and the agent and the customer and merchant status information, the payment advice message bearing a verifiable digital signature of the agent over part of its content (col. 8, lines 28-34). The customer then forwards a portion of the payment advice message to the specific merchant who then provides goods to the customer in response to receiving the portion of the payment advice message. Thus, according to the method of *Kravitz*, the buyer must actively notify the merchant that the payment will be made by the agent.

Kravitz does not teach or disclose a method or system including a data field that indicates whether a cash deposit has been made. *Kravitz* further does not teach a method or system in which, upon receipt of funds, the payment is made to the seller without further involvement from the buyer.

Given that *Kravitz* fails to teach or disclose a method or system that includes a data field to indicate whether a cash deposit has been made, and further fails to teach a method or system in which, upon receipt of the cash deposit, the payment is made to the seller without further involvement from the buyer, the use of *Kravitz* to support a rejection under 35 U.S.C. § 102(e) is improper and should be withdrawn.

C. The Examiner Has Failed to Demonstrate that *Kravitz* Anticipates Applicants' Claim 63 Under 35 U.S.C. § 102(e).

In the Office Action, the Examiner asserted that *Kravitz* discloses each of the elements of claim 63, the first independent claim set forth by Applicants. Applicants have diligently studied *Kravitz* and are unable to locate the references that the Examiner is using to support the rejection. Thus, Applicants assert that the Examiner's rejection under 35 U.S.C. § 102(e) is improper and should be withdrawn.

By way of example, the Examiner asserted that the claim element:

determining a required deposit amount including at least the transaction amount and corresponding to the amount of cash that the buyer must deposit with the cash deposit payment instrument processor to fund the prearranged cash deposit payment instrument;

can be found in *Kravitz* at col. 7, line 12 through col. 8, line 63. Applicants respectfully disagree. The cited portion of *Kravitz* is directed to general concepts representing a summary of the invention. Nowhere in that general description does *Kravitz* address this element of Applicants' methods and systems. Indeed, as stated above, the method of *Kravitz* is not concerned with how the funds are deposited with the financial institution, let alone concern over handling a cash deposit made to a cash deposit payment instrument processor. According to *Kravitz*, and as previously shown, the "customer account must typically be funded before purchases can be made, for example through ATM 122, although actual funding is outside the scope of the payment system" (col. 12, lines 36-39)(emphasis supplied).

Likewise, the Examiner asserted that the claim element:

storing a cash deposit payment instrument registration record in a memory associated with the payment enabling system, the registration record storing the buyer information, the required

deposit amount, and a data field indicating whether the required cash deposit has been received by the cash deposit payment instrument processor;

can be found in *Kravitz* at col. 18 line 55 through col. 23, line 53. Applicants have searched through the three pages of text cited by the Examiner and were unable to find a single reference to use of a data field to indicate whether the required cash deposit has been received by a cash deposit payment instrument processor. As such, Applicants' respectfully request that the Examiner clarify his position or withdraw the rejection.

Further, the Examiner asserted that Applicants' claim element:

communicating information to the cash deposit payment instrument processor comprising the required deposit amount and buyer information

can be found in *Kravitz* at col. 23, line 55 through col. 27, line 60. Again, in the two pages of cited text, Applicants were unable to find a reference to the subject matter in Applicants' claim. Given that "actual funding is outside the scope of the payment system" of *Kravitz* (col. 12, lines 36-39), *Kravitz* does not teach or disclose communicating information to a cash deposit payment instrument processor comprising the required deposit amount and buyer information. Applicants are unable to understand how the Examiner could reasonably assert that this element of Applicants' claim 63 has been disclosed in *Kravitz*.

Additionally, the Examiner asserted that Applicants' claim element:

in response to receipt of information from the cash deposit payment instrument processor that the required deposit amount has been received at a deposit location registered with the cash deposit payment instrument processor, updating the data field in the registration record indicating that the required deposit amount has been received by the cash deposit payment instrument processor; and

is taught by *Kravitz* at col. 22, line 7-48 and col. 22 line 50 through col. 24, line 30) and that Applicants' claim element

in response to updating of the data field in the registration record indicating that the required deposit amount has been received by the cash deposit payment instrument processor, effecting completion of the transaction by making payment to the seller.

is taught by *Kravitz* at col. 32 line 55 through col. 35, line 40. Given that there is no reference *anywhere* in *Kravitz* to use of a data field to indicate whether the required deposit has

been made, Applicants' cannot comprehend how the cited portions of *Kravitz* could somehow disclose these elements of Applicants' claimed invention.

In sum, the Examiner has failed to establish that *Kravitz* anticipates each and every element of Applicants' claimed inventions. Therefore, the Examiner is respectfully requested to withdraw the rejection.

D. The Examiner Has Failed to Demonstrate Anticipation of Applicants' Claim 64-80 Under 35 U.S.C. § 102(e).

By way of the Office Action, the Examiner rejected claims 64-80 as being allegedly anticipated by *Kravitz*. This rejection is respectfully traversed.

Claims 64-80 are dependent claims that depend from claim 63, discussed in detail above. As above, Applicants have studied the cited portions of *Kravitz* and are unable to locate the references that the Examiner believes anticipates Applicants' claims. Given that *Kravitz* fails to teach or disclose each and every element of independent claim 63, use of *Kravitz* to support a rejection under 35 U.S.C. §102(e) of the claims depending from claim 63 is improper. As such, the Applicants respectfully request that the Examiner's rejection of dependent claims 64-80 be withdrawn.

E. The Examiner Has Failed to Demonstrate Anticipation of Applicants' Claim 81-168 Under 35 U.S.C. § 102(e).

By way of the Office Action, the Examiner asserted that "[c]laims 81-168 are similarly rejected in claims 63-80". This rejection is respectfully traversed.

A careful review of claims 81-168 reveals that, while some elements are similar to those of claim 63 and its dependent claims, other elements are present only in claims 81-168. As such, Applicants posit that the Examiner has failed to demonstrate that *Kravitz* teaches or discloses each and every element of Applicants' claims 81-168. Nonetheless, in the interest of efficiency, Applicants' have reviewed *Kravitz* and assert that the teachings of *Kravitz* are insufficient to support a rejection under 35 U.S.C. § 102(e).

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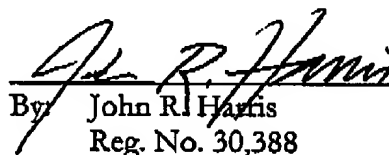
For reasons similar to those set forth above in connection with the discussion of claim 63, it is respectfully submitted that the rejection of claims 81 – 168 under 35 U.S.C. § 102(e) is in error and should be withdrawn.

IV. CONCLUSION

Applicants submit that the pending claims 63-168 recite inventions that are novel over the art cited by the Examiner, as the art fails to teach or disclose the claimed aspects of methods and systems for effecting payment in connection with an online transaction utilizing a cash deposit payment instrument as shown and described in this application, and as claimed in the claims submitted herein. Thus, the foregoing is submitted as a full and complete response to the Office Action mailed February 13, 2004 and is believed to place all claims in the application in condition for allowance.

If the Examiner believes that there are any issues that can be resolved by telephone conference, or if there are any informalities that may be addressed by an Examiner's amendment, please contact the undersigned at (404) 233-7000.

Respectfully submitted,


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